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Understanding the influence of the providers' organizational and environmental context on the success of small and medium sized enterprises (SMEs) seeking to access the benefits of outsourcing through aggregation

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ABSTRACT

Aggregating demand may provide a route to realizing many of the benefits of outsourcing for those organizations too small to embrace it alone. Case studies of four joint service providers (JSPs) in the Australian public sector however highlight how the providers' organizational and environmental context can influence success. Key differences that distinguish the more successful JSPs appear to relate to them having a greater focus on *how* to realize the promise of economies of scale and the *capabilities* and *freedom* to deliver – through process improvement, standardization and managing the required process of change in particular.

Keywords (Required)

Outsourcing, economies of scale, aggregation, public sector, organizational context, environment.

INTRODUCTION

A considerable body of research has been conducted examining information technology and business process outsourcing from a wide variety of perspectives – see Dibbern et al (2004) for a comprehensive overview. Over time the basic principles of utilizing a third party to provide services have been refined with the introduction of mechanisms to increase both the scope of the opportunity and the benefits (Hirschheim et al, 2005). Willcocks et al (2007) for example examined the merits of various different outsourcing models including joint ventures and enterprise partnerships. Carmel and Agarwal (2002) and Hirschheim et al (2005) examined the potential of offshoring – or shifting activities to low labour cost locations. One possibility that has received only limited attention has been for activities to be brought together – or agglomerated – across multiple organizations to be supplied by a common provider. Examples from practice suggest that organizations are embracing such actions. Brown (2005) suggested that utilities that support the activities of multiple organizations, for selected business processes will increasingly be established. Already there are a number of examples. Lloyds TSB Bank, Barclays Bank and HSBC bank have formed a joint venture with Unisys for cheque processing. Xansa is providing accounting and other back-office services across the UK health system. Exigen, Warner Music, Universal Music and Lightspeed Venture Partners have developed a common royalty payment processing system. The success of such joint service ventures though is not guaranteed (Seddon, 2001). This paper seeks to examine whether and how the context of the provider influences success.

INFLUENCES ON COSOURCING

Given the absence of an established literature regarding joint service provision, research on outsourcing was looked to for a potential starting point. However it would appear that research on the influence of contextual factors on outsourcing success is both limited and typically focused on the context of the organization doing the outsourcing not the service provider (see Dibbern et al, 2004)¹. As such the broader Information Systems and Management literatures were turned to.

Numerous approaches to understanding the make up of organizations have been proposed. Some have primarily concentrated on a single dimension. Mintzberg (1998) for example classified the activities and roles of the varied employees – strategic

¹ There are of course exceptions such as the work of Feeny et al (2003) who look at the capabilities required of effective service providers.

apex, technostructure, middle line, support staff and operating core – and proposed a number of organizational structures based on different combinations. Others have sought to examine the relationship of a specific business unit – often the IT department – with the rest of the organization (for example Ein-Dor and Segev, 1978; Henderson and Venkatraman, 1992; Chan and Reich, 2007). A significant number of authors however have sought to develop multi-dimensional models (for example Leavitt, 1965; Henderson and Venkatraman, 1992; Yetton et al 1994; Pascale and Athos, 1981).

A comprehensive approach proposed by Scott-Morton (1991) incorporates or subsumes many of the others and identifies five principal dimensions namely²:

- Strategy – the long term goals of an organization
- Technology – the organization's underlying approach, or philosophy, towards the use of information technology
- Structure – the operational design chosen by an organization to deliver on its strategy
- Management processes – how activities are directed and controlled
- Individual skills – the competencies required for employees to fulfill their roles

Environmental factors

Consideration of the organization alone though ignores any broader influences. According to North (1981) organizational activity occurs within an institutional context. Together the political, economic and judicial institutions of a society function as a web of interconnected formal rules and informal constraints that establish a stable structure for individual and organizational interactions - the so called “rules of the game”³. The prevalent framework however serves to promote only particular modes of organizing activities (North, 1990). The influence of the institutional framework on the organization of production can be highlighted through the example of offshoring. While numerous academic and practitioner publications extol the merits of offshoring (see for example, Hirschheim et al, 2005 or Carmel and Agarwal, 2002) a significant number also highlight the restraining influence of the institutional framework– in particular as related to sending jobs overseas (see for example McCarthy, 2004). Unfortunately North (1981, 1990) does not provide a detailed model to help examine institutional influences. A number of attempts though have been made by others. Greenwood et al (2002), for example, examine the relationship between rules and resources while Zucker (1983) emphasizes that influences can be both exogenous and endogenous in origin. It is suggested here that, while not intended as such, the contextual categorization proposed by Nadler and Tushman (1997) effectively captures the essence of many others though consideration of⁴:

- Environmental conditions – the context within which the organization operates
- History – the past choices and developments that influence the current organization
- Organizational resources – the tangible and intangible assets available to the organization

One other factor that appears to have been largely neglected in the research is the specifics of actual service(s) provided – it is possible, indeed likely, that different types of service will require different combinations of organizational and contextual factors⁵. Mintzberg (1998) provides valuable guidance here by categorizing work on the basis of the degree to which it can be specified in advance.

² An alternative framework is that proposed by Henderson and Venkatraman (1992). This essentially contains the same five dimensions though by bundling structure, processes and skills into a meta *organizational infrastructure and processes* category it relegates their importance to primarily focus on strategy and technology

³ The institutional framework an organization operates could be seen as similar to its environment. The position adopted here though is that the latter focuses on the result and the other on the rules of the game (consider as an analogy a football match which is played according to rules and ends in a specific result – determined both by those rules and other factors such as the skill of the players)

⁴ Endogenous and exogenous influences are represented by an organization's history and its environment respectively while the relationship with resources is also maintained.

⁵ Outsourcing research has focused on the impact on success of total versus selective outsourcing rather than examining whether and how the outcome might be impacted by the specifics of the actual activity outsourced (see for example Dibbern et al, 2004)

METHODOLOGY

Given that little research has been conducted on joint service provision a case study based, approach was determined to be appropriate (Benbasat et al, 1987; Straus and Corbin, 1990). A multi-case approach was taken for the study with a primary emphasis on maximizing the likely generalizability of the results (Yin, 1981; Herriott and Firestone, 1983) since the ultimate objective was to increase understanding of the relationship between the design of joint service arrangements and performance. As such the focus was on the breadth, rather than the depth, of coverage and the number of interviews conducted within each organization was restricted. A total of 4 joint service providers (JSPs) were interviewed across Australia. The JSPs each delivered a broad range of shared services – primarily human resource, IT and finance related – to multiple Government agencies. In all cases they had been created by the transfer of activities from the customer agencies to the JSP. Interviews were between one and two hours in duration and a semi-structured interview protocol was followed to introduce a degree of commonality while minimizing the potential for overlooking the unique aspects of each context (Firestone and Herriott, 1982).

While the underlying rationale of the empirical research was purposeful it was deliberately non-directive so as not to preclude the emergence of dimensions not previously considered (Patton, 2002; Eisenhardt, 1989). With regard to analysis, data was first reviewed and coded in terms of its relationship to the organizational factors identified – an approach in accord with the recommendations of Miles and Huberman (1994) and Yin (1981) who suggest organizing data “around the substantial topics of the case study” (Yin, 1981, p60)⁶. The resultant data display tables represent a crucial link in the chain of evidence between the raw data and the subsequent analysis and development of conclusions (Yin, 1979).

Given the difficulty of determining an appropriate objective measure of success – especially where services are provided by a third party in a long term relationship (Willcocks et al, 2007) – the measure adopted here was the perceived satisfaction of the interviewees regarding the effectiveness of the JSP (Dibbern et al, 2004; Domberger et al (2000). Originally it was intended to have a simple successful/unsuccessful dichotomy. However the interviews made it clear that there were JSPs that classified themselves as partially successful or “on the way but not quite there yet”. As such a three point scale was introduced. Two JSPs rated themselves as performing on the bottom point of the scale (Limited success) and two at the middle (Developing success) with none at the top (Successful)⁷ – see Table 1.

JSP	Perception of success	Sample supporting evidence
JSP1	Limited success	“I don’t know that I’d recommend anyone repeat our experience here”
JSP2		“We have picked up quite a bit of bad press recently”
JSP3	Developing success	“The model keeps evolving”
JSP4		“its been a slow road.. problematic.. going back 15 years .. there’s a lot of education”
		“forced together .. no metrics.. now put the basics in place.. a service delivery platform.. early days yet only a year in”
		“starting to get some runs on the board.. as the volume is going up our costs are not..maybe 30 cents in the dollar at the marginal end”
		“on a scale of one to 10, we’re probably about three in terms of our level of sophistication. I think we’ve got a long way to go”

Table 1: Assessment of success of JSPs

RESULTS

As outlined in the methodology the results of the case study interviews were codified and collated into data display tables – see Appendix 1 for a summary. Here the broad themes of those tables are described in relationship to each dimension.

⁶ At the same time a case comparison approach underlay the analysis (Yin, 1981)

⁷ There was no divergence of opinions between interviewees at each JSP

Service

While all the JSPs included transaction processing and expert services⁸, some focused on a narrower range than others – see table 2.

JSP	Service areas
JSP1	- HR - Finance
JSP2	- HR - Finance - Office services - IT - Document management
JSP3	- Business services - Finance - HR - IT
JSP4	- HR - Finance - Office services - Document management

Table 2: Services provided

The inclusion of expert services was seen as a means of both enabling the complete removal of functions from businesses – avoiding the risk of duplication or parallel structures – and of ensuring that the JSP would not be a “one hit wonder” but could act as an ongoing vehicle for reform and improvement.

“I don’t think you could have the one without the other [transaction and expert services] because the whole point .. is to take those functions away from the agencies. If you’re going to separate them out .. you’re not going to get the savings, so you really need to group them together” JSP1

“I think because we wanted to keep that capacity [expert services] .. because of the value add to – I guess like you say, if that’s your focus, just squeezing the last dollar out of the processing, where do you go after that?” JSP4

Within the JSP there were often different organizational arrangements for the two classes of service – primarily with regard to the intimacy of the client relationship maintained.

“where we do financial management reporting and financial reporting, where you’ve got your statutory reporting. You’ve got your monthly reporting. They are broken into client teams. .. It’s good to have relationships.. getting to know the business” JSP2

Generally for the activities undertaken the JSP wanted them to be managed end-to-end – even if they did not perform, or even have responsibility, for the totality – otherwise it was feared that any benefits realized in one part of the process might be lost elsewhere.

“looking at how we can structure ourselves so we do manage the key processes end to end. But end to end will still mean the process goes in and out of the shared service provider. So what we’ve got to do is be very active with agencies to say, well, we’re going to change our bit, but you’ve got to be active in changing your bit” JSP4

Strategy

Economies of scale was the common rationale provided for a JSP. Associated with this, for the more successful ones, was a focus on process improvement.

⁸ Transaction processing services are those which are high volume, standard and can be delivered according to a template. Expert services are typically lower volume, have more variation and often require clarification or interpretation to determine the appropriate approach.

"In our first six months of fee for service ... we did \$5½ million more revenue .. but the cost to deliver that was less than one million.. you've given all your fixed costs and we're at the marginal end of it" JSP3

There was seen to be a balancing act though between scale and meeting individual requirements.

"The economies of scale dictates price to the client, so they appreciate that if we had another agency or two, it could mean lower costs for them... but [at the same time] what I'm hearing from them is that the smaller agencies would like us to service smaller agencies.. if strike at the big agencies the little agencies suffer. They get lost" JSP2

It was also recognized that savings did not just come from improving efficiency and effectiveness but also from reducing the level of service provided

"The other part of savings is coming out through simply cutting back" JSP4

Technology

IT was seen as the foundation stone for a JSP with a common IT platform – typically an Enterprise Resource Planning (ERP) system – seen as essential for standardization.

"They're all on SAP" JSP3

"It was about standardized corporate systems across government. It reduces the cost of maintaining the system, you know, help desk, it reduces storage costs. It reduces cost. In fact, I think about [X] million of the [2X] million are supposed to be coming straight out of rationalizing the infrastructure" JSP4

"Basically it is about standardization and consolidation" JSP1

Seen as as important as the technology itself though was the relationship between the JSP and the IT function (which was predominantly not included within the scope of the JSP) – in particular the degree of control or influence on technology developments

"if you don't have IT with you, then you need a hell of a strong relationship.. a lot of the processes depend upon IT. If you haven't got IT, then you have a tension" JSP3

"Those decisions were not made by [us] and unfortunately we're going to pay the price for that because what's happening gradually as this new system is being rolled out, is that [where we had] quite a sophisticated presentable SAP environment we will find that we may be going backwards in some areas in terms of functionality." JSP4

It was also recognised that there could come a point – perhaps sometimes already reached – where the JSP would no longer be able to keep up with the investment required and alternatives such as outsourcing might have to be considered.

"We simply can not afford to use some technology" JSP2

"Size .. you know [shared services] 700 staff, reasonable size. But in terms of the ability, for example, to pull together sufficient funds to invest in new technology, to invest in improvements, to continue to innovate, not big enough... the next stage of evolution [is outsourcing]" JSP4

Structure

In all but one case use of the services provided by the JSP was compulsory – and where it was not this was seen as leading to potential problems and a dilution of the benefits achievable.

"lack of mandating.. need it as a driver.. it would also be so much easier for us to do business if everybody got the full suite because we could then approach everything in the same manner.." JSP2

Standardization to make sure that all parts of the business were following the same process was also seen as key.

"it's about standardization and it's about being able to add value to a process. So unless you can standardize it, you can't get cost savings." JSP4

It was recognized though that it was important how compulsion and standardization were introduced and that it was important to work with clients to ensure their needs were met.

"you will get certain agencies that will have peculiarities that we have to address. You just can't add the standard one size fits all for everyone." JSP1

“have been through the history of mandating.. just does not work. Its been tried and failed many times. The culture is too political and it is undermined.. you can not simply impose. It won’t fly. You have to work with people to make sure they understand” JSP3

Management

The importance of developing effective relationships with the business was acknowledged by most JSPs.

“we cannot do it on our own without the cooperation of the agencies we serve” JSP4

It was also recognized that the introduction of a JSP was a major change management initiative both for the JSP and the rest of the organization.

“it’s a change of culture” JSP2

“The expectations are actually quite high ... and it’s something that we really need to manage because there is one system, basically, and we’re operating within that.” JSP1

Furthermore it was accepted that the changes had to be planned and introduced at a rate that could be absorbed by the business.

“I guess that’s one of the tricks is that you can jump too quickly down the thing but it doesn’t take the organization along and you’ve just got to pace the organization to make sure .. it’s what they can absorb. If you take them too fast they’ll kind of push back and you get nowhere .. and that’s why you take people on a journey” JSP3

One of the more successful JSPs suggested that a focus on measurement enabled prior performance levels, and progress from them, to be established and demonstrated. The others had not.

“our problem is twofold. A, we nor the [business] knew what it used to cost before they gave it to us. B, at this stage of the game, we are still unable to determine what the cost potentially would have been if the [areas] had continued to share work” JSP4

Individual skills

A significant obstacle cited by interviewees was the lack of flexibility in staffing arrangements – in particular restrictive union agreements and no redundancy policies. The majority though were actively looking for ways to push to the limits of those constraints.

“a rough review has shown that even within all the employee frameworks that we have, there’s a lot of flexibility that we’re not using .. It just simply hasn’t been practiced. The tradition is not there. No one has put their hand out and said, I’ll take the risk and start it. But we have.” JSP4

“multi skilling .. is something that the staff themselves are actually crying out for as well. Nobody wants to sit in an organization and only look at fixed assets for the rest of their life.. if you’ve got a job where you can move across all the facets of corporate services it makes it far more interesting and rewarding for staff. And then you get the other side, they’ve got motivation” JSP1

The actual skill level – though typically low – was not perceived to be a particular problem.

“its not rocket science” JSP4

Environment

JSPs recognized that they were working within a specific work environment (the public sector) which had unique requirements for them – though these varied in part across JSPs depending upon their location⁹.

“Structural limitations of the public service .. like your hands and feet are bound” JSP4

A common theme regarding the environment was an emphasis on cutting costs – which provided the impetus for the JSP.

“when there’s an impetus that you’ve got to do something. .. you’ve got to change something .. They’re being pressured big time” JSP2

⁹ The JSPs operated in different Australian States – each of which have unique aspects to their political environment

The more successful JSPs however commented that it had been recognized that immediate benefits and success would not be forthcoming – that it would be an evolutionary process with the focus, approach and the benefits that could be realized likely to change over time as understanding of what was possible and achievable increased.

“It kept evolving. but they had to go through that journey probably to recognize that themselves” JSP1

JSPs also commented that each of the clients being provided with services was different.

“You’re also dragging some agencies that [have] skimmed in customer practice and doing things in the old way, and then ask them to re-engineer business processes in order to ... [enter a] brand new world ... And I think some of them are struggling with that.” JSP1

History

At the most basic level history determined the *starting point* of the JSP. For example some JSPs noted that the activities and staff they inherited had often been neglected and motivation and expectations were consequently very low.

“I had one woman, 28 years in the public service doing accounts payable had never been on a training program.” JSP1

“staff were getting a pretty rough ride” JSP4

A JSP also noted the impact of the accumulated history or experiences of the clients being served. The culture of their clients, for example, had become one both of autonomy and avoiding responsibility. The JSP had to work within those constraints while striving to introduce a different future – it could not just turn to a fresh page.

“change that orientation that they become instantly defensive. So every client issue that’s raised – like a tennis game, you’ve got to hit the ball back over the net hard and hit it for a winner. In this game all you’ve got is the relationship. You haven’t got anything else ... and you’re never going to get the relationship with that philosophy. But that’s a really hard thing to change in public service cultures given that so much of the political game is exactly that, isn’t it.” JSP1

The import of history was also noted in the sense that “*accidents of history*” – or actions that were given little thought at the time – could have long term positive or negative consequences.

“the way that the service clusters were created didn’t have any real science behind it. It was more about who knew whom and who felt comfortable with whom and who had some experiences with whom and then a few orphans who really didn’t care” JSP4

Past *decisions* were also seen as important shapers of current realities and perceptions. The incidence and impact of restructures, of the JSP itself or of its client base, for example, was a common theme as it could influence whether the JSP was seen as just another “misguided management initiative” or even if it possessed the fundamentals to succeed.

“Following the election a restructure took away our staff [reporting to a different agency while still working on JSP activities].. as we are trying to build up our culture .. cause considerable uncertainty amongst them and amongst clients regarding continuity of service .. don’t know what is going on.” JSP3

“lost one of our foundation clients due to a restructure” JSP2

Resources

In the majority of cases financial resources were simply allocated to JSPs with limited consultation or leeway – the logic as to how the figures were derived was also sometimes questioned.

“Figure of \$[X]m was announced .. half was to come from IT and the other half from process improvements.. the IT bit was fairly well mapped out the rest less so” JSP4

For one JSP a start-up budget had been set but when it was exceeded was increased – and this was ongoing. At the other extreme another JSP felt that it was hampered by a lack of resources to implement changes. Only one JSP had responsibility for setting its own budget – but did so with little external scrutiny as to whether the savings factored in were optimal or could be increased.

DISCUSSION

Table 3 seeks to highlight the characteristics common to all the JSPs studied and the additional ones that appear to differentiate the more successful JSPs. All of JSPs are focused on realizing economies of scale by providing a range of services to a number of clients and recognize the enabling role of information technology in delivering those services. Key differences appear to be the more successful JSPs having a greater focus on *how* to realize benefits – through process improvement, standardization and managing the required process of change. Furthermore there appears to be an acceptance that the required change will take time to realize.

Given that none of the JSPs consider themselves to be fully successful the research also offers some insight into why this might be the case. Interviewees emphasized problems associated with inflexibility – in particular the requirement for there to be no forced redundancies – and a focus on cost cutting which was often being achieved in part by reducing the quality of the service delivered. The latter while not necessarily incompatible with process improvement represents a challenge to the JSP in striking the right balance between the two – there might be a temptation to concentrate overly on cutting service levels as the easiest path. It is also interesting that the JSPs typically had a poor understanding both of the actual activities being taken over and the demand which might be expected to impact on their ability to implement improvements.

One perhaps surprising finding is the acknowledged low skill base within the providers and the view that this is acceptable – a position that would appear to contrast with much of the mainstream outsourcing literature where access to highly skilled human resources is seen as a key benefit of, or even motivator for, outsourcing. It should be noted though that this was primarily in relation to transaction processing activities signaling perhaps that research needs to pay greater attention to the nature of the work involved and ensuring it is matched with an appropriate skill level.

Future research could usefully extend the focus to the customers of the JSP – to determine both their perceptions of success and how their contexts might be impacting it. It would also be useful to look more closely at the operational implementation of joint services to determine if, and how, differences there might influence success. A final extension could examine whether the findings extend beyond the public sector. Do similar objectives, influences and constraints exist in the private sector.

	Common features of JSPs	Potentially key differences for more successful JSPs
Services	<ul style="list-style-type: none"> • Broad range of services • Transaction • Expert 	<ul style="list-style-type: none"> • End-to-end focus
Strategy	<ul style="list-style-type: none"> • Economies of scale 	<ul style="list-style-type: none"> • Process improvement
Technology	<ul style="list-style-type: none"> • Enabler 	<ul style="list-style-type: none"> • Standard
Structure	<ul style="list-style-type: none"> • Compulsory 	<ul style="list-style-type: none"> • Journey towards standardisation
Management processes	<ul style="list-style-type: none"> • Lack of understanding of work level and processes 	<ul style="list-style-type: none"> • Cultural change emphasis
Individual skills	<ul style="list-style-type: none"> • Low skill • Seek flexibility 	
Environmental conditions	<ul style="list-style-type: none"> • Cost cutting focus • Outsourcing unacceptable • No forced redundancies 	<ul style="list-style-type: none"> • Evolutionary process
History	<ul style="list-style-type: none"> • Mandated • Soft restructures 	
Organisational resources	<ul style="list-style-type: none"> • Allocated 	

Table 3: Summary of common and differentiating features of JSPs


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APPENDIX 1: SUMMARY DATA DISPLAY TABLE

	Performance perceptions	Services	Strategy	Technology	Structure	Management	Individual skills	Environment	History	Resources
JSP1	<ul style="list-style-type: none"> Limited 	<ul style="list-style-type: none"> Broad range of services Transaction & expert Partial process Call centre 	<ul style="list-style-type: none"> Scale Reduce labour costs Improved services / systems 	<ul style="list-style-type: none"> Enabler (savings largely headcount derived) Designed afresh – new standard IT largely outsourced – relationship management critical Start from an area's best practice rather than scratch 	<ul style="list-style-type: none"> Custom Compulsory 	<ul style="list-style-type: none"> Business relationships Managing expectations (lowering) Effective communication Manage suppliers Understand processes & work level 	<ul style="list-style-type: none"> Manage to enable flexibility (recruitment) - Shuffle roles as move in Multiskill – job rotation Low skill base 	<ul style="list-style-type: none"> Cost cutting focus No forced redundancies Politically sensitive Collegiate 	<ul style="list-style-type: none"> Mandated Soft restructures 	<ul style="list-style-type: none"> Allocated – extended as needed (limited pressure)
JSP2	<ul style="list-style-type: none"> Limited 	<ul style="list-style-type: none"> Broad range of services Transaction & expert Partial process Call centre 	<ul style="list-style-type: none"> Scale Enable core business focus 	<ul style="list-style-type: none"> Varied Enabler IT included 	<ul style="list-style-type: none"> Custom Optional use – cherry pick services Price charging 	<ul style="list-style-type: none"> Education 	<ul style="list-style-type: none"> Low skill base Inflexible 	<ul style="list-style-type: none"> Cost cutting focus Core business focus No forced redundancies Outsourcing unacceptable Autonomy 	<ul style="list-style-type: none"> Outside the core Soft restructures 	<ul style="list-style-type: none"> Limited Allocated
JSP3	<ul style="list-style-type: none"> Developing 	<ul style="list-style-type: none"> Broad range of services Transaction & expert Partial process 	<ul style="list-style-type: none"> Scale Process improvement Management focus Effective use of capital Risk management Independent company structure 	<ul style="list-style-type: none"> Towards standard Enabler IT included 	<ul style="list-style-type: none"> Journey towards standard Compulsory Price charging 	<ul style="list-style-type: none"> Process & cultural change focus (internal & clients) – with regard to ability to absorb Leadership Service delivery framework Measurement/analytical focus Client education Manage suppliers Transparency 	<ul style="list-style-type: none"> Low skill base Flexible to a point – offload Process mapping Workforce planning – multiskill / systems training 	<ul style="list-style-type: none"> Cost cutting focus Evolutionary process No forced redundancies Outsourcing unacceptable 	<ul style="list-style-type: none"> Mandated Restart 	<ul style="list-style-type: none"> Seed funded Self fund beyond Put self under pressure (cost)
JSP4	<ul style="list-style-type: none"> Developing 	<ul style="list-style-type: none"> Broad range of services Transaction & expert End to end focus but not all within shared services 	<ul style="list-style-type: none"> Scale Process improvement 	<ul style="list-style-type: none"> Solution Standard IT separate IT relations key Largely in situ 	<ul style="list-style-type: none"> Journey towards standard Compulsory 	<ul style="list-style-type: none"> Business relationships Customer rather than administrative orientation Direct oversight Cultural change emphasis – with regard to ability to absorb 	<ul style="list-style-type: none"> Shortage Innovation for flexibility Work group 	<ul style="list-style-type: none"> Evolutionary process Cost cutting focus Core business focus No forced redundancies Outsourcing unacceptable Autonomy 	<ul style="list-style-type: none"> Mandated 	<ul style="list-style-type: none"> Allocated

 What would like